

Concordia University
Council of the John Molson School of Business
Minutes of the meeting held Friday, January 21, 2005

Present: J. Tomberlin (Chair)
K. Argheyd (Mana.), C. Barry (CASA), S. Betton (Fina.), H. Bhabra (MBA), B. K. Buyukkurt (Mktg.), S. Brutus (Mana.), D. Cameron (Mana.), A.-M. Croteau (DS&MIS), S. Danaie (Facilities), D. Doreen (DS&MIS), M. El-Chafehi (CGSA), A. Fagnoli (Reg.) K. Fiddler (Staff), T. Flouris (AMBA), M. Genova (Staff), K. Gheyara (Acco.), A. Goussous (CGSA), B. Hatto (CASA), S. Hoffman (Lib.), A. B. Ibrahim (Assoc. Dean), G. Kanaan (Assoc. Dean), D. Kira (DS&MIS), R. Knitter (Mana.), K. Laframboise (DS&MIS), G. Lowenfeld (Acco.), J. McGuire (Mana.), M. Magnan (Assoc. Dean), S. Mustafa (Acco.), R. J. Oppenheimer (Mana.), S. Perrakis (Fina.), M. Perugini (CASA), I. Rakita (Fina.), J. Riven (Mana.), L. Rosenthal (CASA), C. A. Ross (Mktg.), B. Sarmiento II (CASA), M. Sharma (DS&MIS), J. St-Germaine (CASA), E. Xenos (IR&C)

Absent with
Regret: S. Ahsan (Econ.), O. Bodur (Mktg.), B. Campbell (Econ.), T. Chirimar (CASA), B. Desai (Comp.Sci.), M. Elmosaly (CASA), J. Freed (Fina.), E. Gathbonton (TESL), N. Howe (SGS), M. Islam (Acco.), L. Katsanis (Mktg.), F. Lowy (Pres.), M. Singer (P&VP)

I Call to Order
The meeting was called to order at 09:30

II Closed Meeting

III Open Meeting

IV Approval of Agenda - JMSB-2005-01A
*It was moved M. Sharma and seconded by R. J. Oppenheimer that Council approve the agenda.
The motion was carried unanimously.*

V Approval of the Minutes - JMSB-2004-09M
*It was moved by M. Sharma and seconded by B. Hatto that Council approve the minutes of the meeting held December 3, 2004 with the following amendment: page 6, first paragraph, fourth line, delete: Two more resignations are expected within the next two years from faculty members attracted to the U.S. market, insert: Two other members of the department are known to be actively searching for jobs in the U.S.
The motion was carried unanimously.*

VI Chair's Report and Question Period (15 minutes)
J. Tomberlin reported the success of the 24th Annual MBA International Case Competition and congratulated the organizing team, Isabelle Smith, Kyle Deguire, Josh Byers and Mathieu Lay and their advisor Réjean Dupré, as well as the JMSB team members, Farah Ahmad, Benoit Breault, Egan Cheung, Mischa Loeffler and Chris Tomiuk and their coaches Tim Fields and Noor Shawwa. The MBA International Case Competition Advisory Board plans a special celebration of next year's 25th competition. He remarked that few JMSB faculty members participate in this important event that involves over 100 students and approximately 200 judges from the business community. He urged faculty members to become involved in next year's event and to think of ideas as to how to celebrate the 25th MBA International Case Competition. He reported that the case writing competition initiated this year resulted in approximately twenty-five high quality cases. The winner of the competition was Ali Farhoomand, Coach for the team from the University of Hong Kong, however the case was not used because of a possible conflict of interest. Next year submissions from team coaches will not be considered in the competition.

J. Tomberlin congratulated the many faculty members, full-time and part-time, who devoted their time and expertise to coaching our students for the Inter-Collegiate Business Competition at Queen's University where JMSB students earned the Gold in Business Policy and for the success of the Commerce Games where JMSB students earned overall academic gold: Gold in Marketing and Finance, Silver in

International Business, MIS and Entrepreneurship, Bronze in Strategy, Tax and Stock Simulation. He congratulated the students on the teams for their achievements and extended a special thank you to Mark Haber who does a fantastic job of overseeing JMSB undergraduate competitions.

The Chair announced that he had received advance notification that the JMSB MBA program has again been ranked in the top 100, number 81 which is our best ranking ever, by the London Financial Times. The news is under embargo until Monday when the press release with all the details will be sent to all faculty, staff and student executives.

In conclusion J. Tomberlin announced that B. Ibrahim has been appointed Associate Dean, Graduate Studies, Research and Program Evaluation and P. L. Kelley has been appointed, Executive Director, Administration and Human Resources.

The President of CASA, M. Perugini thanked the faculty members who worked with the students to prepare for the Commerce Games and thanked the Dean and Associate Dean Ibrahim for giving the students the opportunity to compete in such an incredible and memorable event.

VII Elections

VIII Business Arising from Previous Meeting

i) Faculty Election Procedures – JMSB-2004-09A-01

It was moved by R. Knitter and seconded by J. Riven that Council grant speaking privileges to C. A. Ross.

The motion was carried unanimously.

The following motion was tabled at the Council meeting held December 3, 2005:

It was moved by M. Sharma and seconded by K. Argheyd that Council approve the JMSB School of Business Faculty Election Procedures as described in document JMSB-2004-09A-01.

C. A. Ross stated that he was representing C. Drimin who had been involved in discussions regarding JMSB election procedures. In a memorandum written to C. A. Ross, C. Drimin noted the following points for Council's consideration: (a) The main issue is the accountability of the Election Panel, a sub-Committee of Council that reports to Faculty Council, (b) A critical sentence was deleted from document JMSB-2004-09A-01 – "All full-time faculty in the bargaining unit and not on unpaid leave are eligible to participate in elections." (c) Administrators should be excluded because the Dean and Associate Deans sit on various committees as ex officio members, often with a vote, they should not be able to "have two kicks at the can". The Dean has always been excluded from elections. The status of the Associate Deans is no different because they are deputies of the Dean in their sphere of responsibility so they should be treated the same as the Dean. This is the case in the Faculty of Arts and Science and the Faculty of Fine Arts. (d) The fact that the Collective Agreement notes specific exceptions to the eligibility of administrators to participate in elections implies that a general rule is that administrators should not sit on these committees nor should they have the right to vote.

Strong objection was made regarding item (b) inasmuch as there has never been any other Election Procedure considered or approved by Council. Any reference to another document is misleading and a waste of Council's time. With regard to (c) and (d) it was pointed out that Professors Argheyd and Laroche who drafted the document tried to follow the guidelines of the Collective Agreement and avoid imposing their personal interpretations of the agreement on the procedure.

It was argued that there had been another document that had not been considered or approved by Council but had been used by the Election Panel. M. Sharma, Election Panel member, stated that there were in fact two previous documents, neither of which had been considered or approved by

Council, the one referred to by the Election Panel that included faculty administrators and a subsequent version that was changed to exclude faculty administrators.

During the ensuing discussion, one Council member expressed her discomfort with depriving Associate Deans of their right to participate in elections. It was pointed out that the JMSB Election Procedures were a Council matter, not a union matter.

Another faculty member, who had also received a copy of C. Draimin's memorandum, endorsed his proposal to provide information, either at the time the votes are counted or at the following Council meeting, about (a) whether the successful candidates were acclaimed or elected by vote (b) whether acclaimed candidates were nominated by an open call or solicited by a member of the Elections Panel and (c) in each election where members are elected by vote, a report of the number of candidates, the number of votes cast, the number of votes received by the winners and first runner up and the number of rounds required to declare a winner. He moved to amend the document accordingly.

It was clarified that JMSB elections have always been conducted in an open and transparent manner by an open call. In some cases, more than one call is made. Candidates are nominated, the nominations are seconded and the nominee consents to the nomination. It was noted that an open call does not preclude Election Panel members from seeking nominees because it is the responsibility of the Election Panel to ensure there are nominees. It was agreed that item (b) was not relevant.

It was moved by I. Rakita and seconded by S. Betton that the JMSB Election Procedures document (JMSB-2004-09A-01) be amended to include that when the election results are announced it be stated: (a) whether the successful candidates were acclaimed or elected by vote, (b) in each election where members are elected by vote, the number of candidates, the number of votes cast, the number of votes received by the winners and first runner up and the number of rounds required to declare a winner,

The mover did not accept this as a friendly amendment

A vote was taken on the amendment:

The amendment was carried (18 in favor, 9 opposed, 5 abstentions)

In response to a question about precedence, M. Sharma, Election Officer for the past sixteen years, confirmed that in the past, faculty administrators had participated in elections with the exception of elections where they were specifically excluded by the CUFA Collective Agreement.

A vote was taken on the motion as amended.

The motion was carried (25 in favor, 1 opposed, 3 abstentions)

ii) Revised motion regarding Governance of Faculty Centres – JMSB-2004-09A-02 (15 minutes)

The following resolution, submitted by C. A. Ross and C. Dramin for a previous meeting of Council, was moved by J. Riven and Seconded by S. Betton:

WHEREAS JMSB has numerous projects ('Centres') which can benefit from the synergies of coordination;

WHEREAS Faculty Council needs a governance structure to fulfill its responsibilities of oversight of such activities;

WHEREAS, in the past such Centres as the Executive Centre, ICAMER, and the Entrepreneurship Institute for the Development of Minority Communities have not been required to develop and maintain standardized internal controls;

BE IT RESOLVED THAT:

- i) Faculty Council shall oversee the development and operations of all Centres. A Centre shall be defined as any JMSB planned or present project requiring an operating budget with an intention to create on-going non-credit courses, seminars, meetings or other events, or the development of research opportunities;*
- ii) Faculty Council shall cause a committee (JMSB Centres Executive Committee) to be formed, which Committee shall be responsible for overseeing the planning and budgetary processes and controls of the Centres as required by Faculty Council from time to time, and for reporting to Faculty Council. This committee shall be formed no later than February 28th, 2005.*
- iii) The Chairman or his designate shall present to Faculty Council, for approval, the mandate of the Committee (including such matters as composition, responsibilities, accountabilities, and meeting administration) no later than the meeting of April 22nd, 2005.*

One member of Council praised the spirit of the motion and agreed that the establishment of a governance mechanism for all Centres was overdue. At the same time, he voiced strong concern about the scope of control assumed by Faculty Council. For example the notion that an Endowed Chair would require Council's permission to host a visiting speaker seems senseless. He recommended that a Task Force be struck, possibly within the context of the Strategic Plan and chaired by the original mover, to study the issue and report back to Council. Another member of Council suggested that the role of Council be limited to overseeing the operation of Centres leaving the development of research opportunities to the initiative of entrepreneurial faculty members.

C. A. Ross pointed out that the basis for the motion was the lack of reporting structure for ICAMER. He described the HEC procedure for ensuring the accountability of Endowed Chairs. It was pointed out that Council had approved a similar process for JMSB Endowed Chairs and Distinguished Professorships. With regard to the development of research opportunities, he suggested that reasonably concrete ideas could be documented and sent to Council which would share the information with other faculty members who may be interested and provide direction. Noting that the motion had been on the agenda for some time, he stated that although the issue of governance was talked about, there seemed to be no real pursuit of good governance in the JMSB. The Chair commented that the issue of improved program management and striking a Task Force to monitor program management was included on page 28 of the Strategic Plan, another document which has also been on the agenda for some time.

During the ensuing discussion, the mover of the motion commented on the urgency of the matter and suggested that part one of the resolution be amended, to delete "...seminars, meetings or other events...", to focus on establishing a governance structure for the Centres as soon as possible. The composition of the proposed committee and the feasibility of the committee's responsibilities were questioned. One member of Council strongly supported the motion that would give Faculty Council responsibility for some of the JMSB core profit Centres. It was pointed out that the Associate Dean, External Affairs, who is responsible for the Executive Centre, reports to Council annually on the activities of the Centre. Two members of Council expressed their discomfort with the motion. One stated a preference for this issue to be debated in a smaller committee and questioned how the proposed committee would fit with the overall governance of the Faculty that is part of the Strategic Plan. It was pointed out that transparency within the JMSB operation was not lacking inasmuch as all private program directors report annually to Council which is the

governance structure for Faculty operations. As such, the Council already has the responsibility of ensuring that the Executive Centre, ICAMER and the Entrepreneurship Institute for the Development of Minority Communities develop and maintain standardized internal controls. It was recommended that a more general motion be considered that would entail the establishment of a Task Force to report back to Council as soon as possible with a mechanism that ensures a governance structure for every Centre in the JMSB.

The Chair noted that the Task Force could be part of the overall strategy to review the reporting structures and efficiency of both privatized and non-privatized programs activities, credit and non-credit programs. To date non-privatized programs have not been examined for efficiency or profit and loss.

It was moved by R. J. Oppenheimer and seconded by G. Lowenfeld that the motion be tabled.

The motion was carried (15 in favor, 7 opposed, 2 abstentions)

It was agreed that a notice of motion regarding the establishment of a Task Force to develop a mechanism to ensure an appropriate governance structure for the JMSB will be submitted to the Steering Committee of Council by A. B. Ibrahim.

iii) Ten-year Summary of JMSB Business Units – JMSB-2004-09A-03

It was moved by M. Sharma and seconded by D. Kira that Council receive the Ten-year summary of JMSB Unit, document JMSB-2004-09A-03.

It was noted that the 2003 AMBA actual was \$-115 rather than NA.

The motion was carried unanimously.

iv) EMBA Follow-up Report to Council – JMSB-2004-09A-04 – for information only

It was moved by M. Sharma and seconded by D. Kira that Council receive the EMBA follow-up report to Council, document JMSB-2004-09A-04.

The motion was carried unanimously.

v) International Aviation MBA Program annual report – JMSB-2004-09A-11

It was moved by M. Sharma and seconded by D. Kira that Council grant speaking privileges for T. Flouris, Director, International Aviation MBA Program.

The motion was carried unanimously.

T. Flouris highlighted his report. With regard to the financial status of the program, he advised that efforts had been made to cut costs and stimulate revenues. He noted that a deficit of \$282,000 is shown because of the \$335,000 rolled over from last year's GAMBA revenues. Without the roll over the program would have shown an excellent recovery, a surplus of \$56,000.

In reply to a question about the reason for the roll over, T. Flouris explained that the University reporting system had been changed to include encumbrances. In response to a question about the rationale for launching the Certificate and Diploma programs in light of the fact that the program has not been generating revenues, he advised that there is only a potential for profit because they consist of courses already offered in the third and fourth semesters of the regular program and require no additional resources. In reply to questions about the number of students on scholarships and loan, he advised that there was one student on scholarship in the AMBA program, four in GAMBA, and two or three students have loans. The scholarships are in partnerships whereby the student's employer pays part of the tuition and the JMSB reduces the total tuition fee to stimulate these relationships. It was suggested that information regarding scholarships and loans be included in the annual reports to Council.

It was moved by G. Lowenfeld and seconded by M. Magnan that Council receive the International Aviation MBA Program annual report, JMSB-2004-09A-11

A vote was taken on extending the 15 minute time limit for discussion. The majority of Council members opposed extending the time limit. Nevertheless, it was agreed that the balance of the speakers on the Chair's list could have the opportunity to speak.

Concern was expressed about placing AMBA students, with an average GMAT of 600, with MBA students, who have an average GMAT of 650, together in the MBA core courses. T. Flouris was asked if the AMBA students had the same admission standards administered by the same committee as the MBA students. He replied that students were admitted by a similar committee and the low enrolment reflects the effort to increase the admission standards. In response to a question about tuition fees, the Chair advised that fee reductions for AMBA students taking MBA courses were under discussion. In response to a question about the low rate of registration compared to the number of applications, T. Flouris advised that students typically apply to several regular MBA programs noting that the Aviation program was still unique in the market. In response to a question about the number of students needed to obtain a break even, he advised that approximately 15 – 16 students paying full tuition would result in break-even. Expenses for 2004-2005 are expected to be similar to 2003-2004 and projected revenues indicate a break-even or surplus for the 2004-2005 academic year. The Chair commented that revenues would be reduced by \$30,000 - \$40,000 if tuition adjustments are made for combining the AMBA and MBA core courses.

In response to requests for updated financial statements providing information for the 2004-2005 academic year, the Chair noted that the report has been on the agenda since November 2004. The report adheres to the guidelines for reports from revenue generating programs that were approved by Council. Council members who wish to revisit the report format were asked to notify the Secretary of the JMSB Steering Committee and Council, Ms. Howell.

The motion was carried unanimously.

- vi) Entrepreneurship Institute for the Development of Minority Communities (EIDMC) annual report – JMSB-2004-09A-12
This item will be brought forward to the next meeting of Council.
- vii) JMSB Strategic Plan – JMSB-2004-09A-13 and Concordia: Canada's University for the 21st Century (SCAPP 2004-3-D1) JMSB-2004-07A-06
The Chair stated that there would not be sufficient time to complete discussion of the plan today and recommended that the next meeting of Council be devoted to the Strategic Plan.

The following comments made regarding the JMSB Strategic Plan, JMSB-2004-07A-13, were noted:

-A summary of the feedback from the Marketing Department which appears in full in the Strategic Planning Folder on First Class: (i) The research mentality described in the plan needs specific goals, such as benchmarking against other Canadian business schools, the development of Faculty research standards, infrastructure and budget to increase research productivity. The Faculty research standards would be used to measure individual research productivity and to evaluate candidates for certain administrative positions and research chairs. (ii) The Ph.D. and M.Sc. Programs which are related to research should have more prominence in the plan. (iii) The details of the behavioral research lab should be a critical part of the plan. (iv) An overall evaluation of the portfolio of private and public programs, especially from a brand identity point of view, should be included in the plan. (v) The cost of the addition of non-academic administrative positions in the organizational structure may cause an organizational distance between the Dean and the

faculty and staff. (vi) The goal of ranking among the top five business schools in Canada is both measurable and desirable. The benchmarked schools should be included in the plan. (vii) The plan does not differentiate the JMSB from our competitors. What is our competitive advantage and what will the JMSB be known for at the end of five years? (viii) Different stakeholders have different expectations from the strategic plan, management of these expectations is critical to the process.

-The mission and vision are divergent, research is not included in the vision. How does the JMSB mission and vision fit with those of the other three Faculties and the University.

-There is nothing in the document with which one could disagree however, it gives no sense of direction as to where we should be going other than to set up committees. How do we compete with HEC that now offers programs in three languages including a MBA program in English?

The Chair explained that an important characteristic of the plan was to identify the issues and rather than having a planning process where faculty are told what to do, our community of scholars is asked to become engaged in deciding the future direction of the JMSB.

-There is not enough time. We need to decide how to deal with the competition.

-The core values are not established. How long will that take?

-What is the role of Council? Developing core values can take 18 – 24 months. Where are the priorities?

The Chair confirmed that the role of Council was to sign off on the Strategic Plan. The expectation is that the Task Forces outlined in the plan would develop priorities for their reports to Council based on the time lines indicated in the document.

-The only concrete item in the plan is an organizational model that includes non-academic administrative positions. The University should be run by its faculty rather than professionals.

- With the CIO and CFO, it appears that the JMSB is a separate entity rather than a Faculty within the University. The plan itself is a plan for the status quo. The focus on research must be balanced with real life experience.

-Page 4 is a continuous quality improvement plan which implies that the strategic plan will be reviewed every year for the next five years. If this is the case, the first step would be to review the details of the last strategic plan and to make it clear that the strategic plan will be reviewed annually. Research should be relevant and inform teaching to create the balance between research and real life.

-Students should be involved in research.

-Research is critical to ranking among top business school as evidenced by the Financial Times ranking.

-With regard to expansion of the Co-op program, data should be collected as to why students choose the Co-op program and why they drop out. With regard to English as a second language, students would benefit by being required to take the University Writing Test and Business Communications in the first semester of their program. The JMSB must help their international students to succeed.

-The administration must make critical choices and identify the strategic direction of the JMSB. The Marketing Department does not accept research versus teaching as a dichotomy. The plan ignores strategic alliances. The plan should make more references to Quebec.

-Students would benefit if research were used as a tool for learning in combination with the up-to-date real world experience of part-time faculty. A strategic alliance with students was suggested – find out what they take away from the JMSB experience. The plan should have more emphasis on students.

-We can choose either to continue with the development of the plan or move toward the implementation and work together to identify what we want to do.

-The JMSB has a well-deserved reputation for having a more practical MBA program than McGill.

In response to a question about the purpose of today's discussion, J. Tomberlin stated that the Council could decide not to establish Task Forces and to turn down the plan entirely which would lead to a top down approach to the strategic plan. With regard to his expectations from today's discussion, he advised that he wanted to know if the issues identified were accurate. What has been left out? What should be added or deleted? Does the plan attempt too much? Which issues warrant priority? He advised that this feedback would allow the Task Forces could begin their work. The mandate of one Task Force is to develop a concise mission that would encapsulate where we want to go and all the rest would flow from that.

- It was suggested that Council meet for a half or full day to discuss the plan with the assistance of a professional facilitator to develop a simplified document that the Council can approve.
- The suggestion was supported by some members of Council. It was further suggested that the meeting be open to the faculty at large.
- It was also suggested that a Task Force be struck to develop a more radical strategic plan.
- It was suggested that Council members consult with their constituents.

The Chair remarked that the document was the result of endless consultation sessions with full-time and part-time faculty, staff, and students and identified the issues raised by everyone who chose to participate. He cautioned that opening the process at this point to a large group, where some participants tend to dominate, may not be useful. He stated that no one would disagree with striking a Research Development Task Force and the tasks of the Vision Task Force could be expanded to respond to the desire for a more radical plan. With the permission of Council, the Chair will review the jobs to be done by each of the Task Forces with a view to implementing the plan, or part of it, by adding to the tasks of one or two them for discussion at the next meeting.

- It was suggested that Council members take the responsibility of considering the plan in segments and either accepting, modifying or rejecting each segment.
- It was suggested that the plan include a summary of the previous strategic plan, what we wanted to achieve, what was achieved and where we want to go, similar to Martin Singer's document regarding Concordia in the 21st century.
- New faculty are attracted to the JMSB as a research institution. Students enjoy and benefit from involvement in research. It was suggested that the document be summarized in about five pages and reconsidered.
- The document was welcomed and the notion of establishing task forces was supported.

It was agreed that the plan would be further discussed at the next meeting of Council. The Chair stated that it was his understanding that there would be no objection from Council members if he were to start forming task forces on some of the items.

The following reports will be brought forward to the next meeting of Council.

- IX Report: Graduate Programs, Research and Program Evaluation
- X Report: Administrative Affairs and Human Resources
- XI Standing Report on the status of the new JMSB building
- XII CASA Report – JMSB-2004-09A-08 and JMSB-2005-01A-01
- XIII Report: External Affairs and Executive Programs
- XIV Report: Undergraduate Programs, Academic and Student Affairs

XV Reports from School Representatives on University Committees

JMSB-2005-01M .

- i) University Senate
- ii) Arts and Science Faculty Council
- iii) Senate Academic Planning and Priorities
- iv) Senate Academic Programs Committee
- v) Senate Research Committee - JMSB-2004-09A-09
- vi) University Library Committee
- vii) Undergraduate Scholarships and Awards Sub-committee
- viii) Board of Governors – JMSB-2004-09A-10
- ix) Council of the School of Graduate Studies

XVI CGSA Report

XVII New Business

XVIII Other Business

XIX Adjournment

It was moved by M. Sharma and seconded by G. Lowenfeld that the meeting be adjourned.

The motion was carried unanimously.

The meeting was adjourned at 12:20 p.m.

XX Next meeting

The next regular meeting of Council will take place on Friday, February 18, 2005 in room GM302.